

11—118.5(8A) Use of competitive selection. State agencies may procure non-master agreement services from private entities without competition when the estimated value does not exceed \$15,000. Agencies shall use competitive selection to acquire services from private entities when the estimated value of the service contract is greater than \$15,000 unless there is adequate justification for a sole source procurement pursuant to rule 11—118.7(8A) or emergency procurement pursuant to rule 11—118.8(8A) or unless awarded to a targeted small business pursuant to 11—paragraph 117.5(2) “a” or procured pursuant to another exception to competitive selection under another provision of law.

118.5(1) When the estimated annual value of the service contract is greater than \$50,000 or the estimated value of the multiyear service contract in the aggregate, including any renewals, exceeds \$150,000, a state agency shall use a formal competitive selection process to procure the service.

118.5(2) When the estimated annual value of the service contract is greater than \$15,000 and not greater than \$50,000 and the estimated value of the multiyear service contract in the aggregate, including any renewals, does not exceed \$150,000, a state agency, in its sole discretion, shall use either a formal or informal competitive selection process to engage a service provider.

118.5(3) The requirement to use competitive selection to select a service provider when the estimated value of the service contract is greater than \$15,000 applies even when the state agency purchases services from a private entity and designates the contract it enters into with the private entity as a 28E agreement. [ARC 0952C, IAB 8/21/13, effective 9/25/13; ARC 4182C, IAB 12/19/18, effective 1/23/19; ARC 4845C, IAB 1/1/20, effective 2/5/20; ARC 6263C, IAB 3/23/22, effective 4/27/22]